



BBA 31244

E-Marketing Strategy

Topic I:
Past, Present, & Future of
Marketing

ASSESSMENT METHOD

	Percentage (%)
Mid-Term Exam	30
Assignment	30
Final Examination	40
TOTAL	100



LEARNING OUTCOMES

- **Understand** how the advances in internet and information technology offer benefits and challenges.
- **Recognize** the differences between e-business and e-marketing.
- **Identify** how increasing buyer control is changing the marketing landscape.
- **Understand** the differences between information or entertainment as data and the information-receiving appliance used to view or hear it.



Internet Create Strategies & Tactics

1. The customer is CEO.
2. E-commerce.
3. Advertising online.
4. Search engine marketing.
5. Owned, paid, and earned media.
6. Mobile marketing.



Internet Create Strategies & Tactics (Cont.)

7. User-generate content.
8. Social media communities.
9. Content marketing.
10. Local and location-based marketing.
11. Brand transparency.
12. Inbound marketing.
13. Metrics rule.

Internet Create Strategies & Tactics (Cont.)

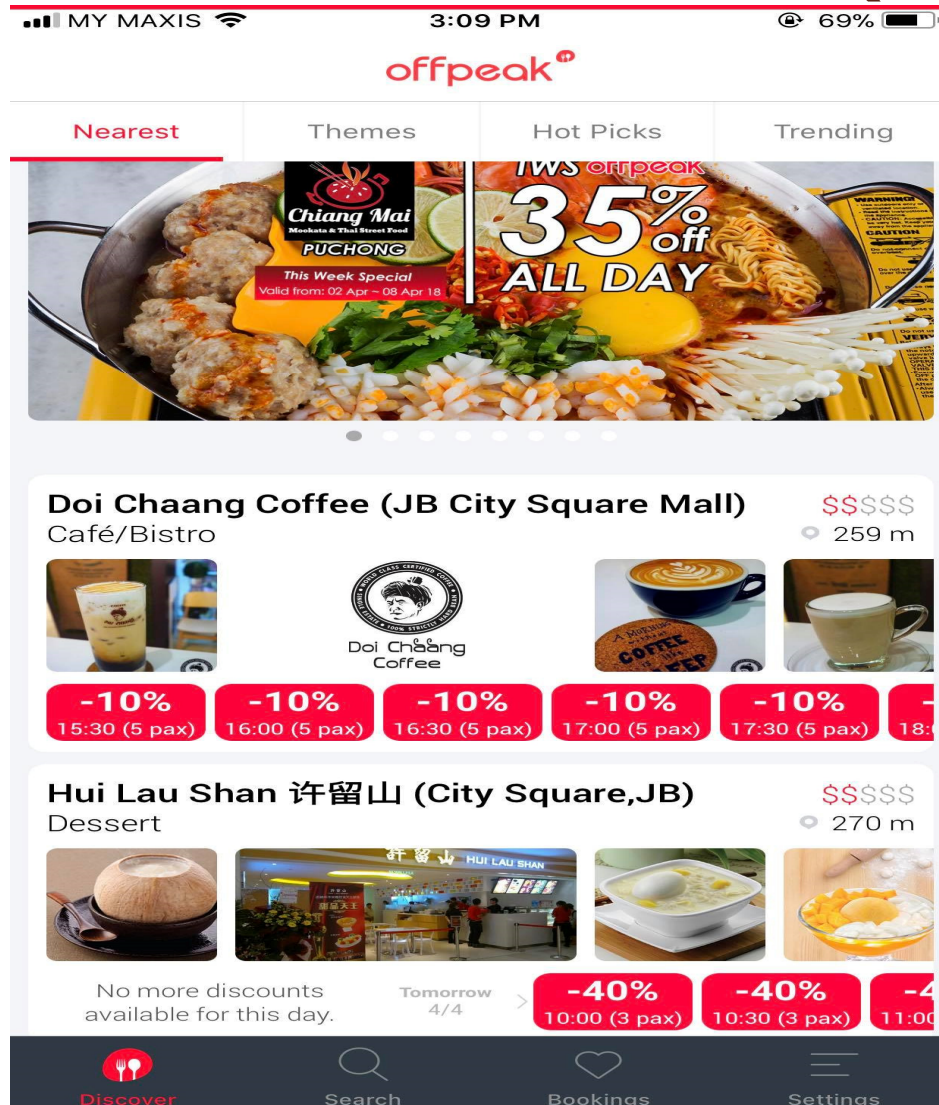


Figure 1:
Offpeak
Application use
location-based
marketing to
target customers.

Internet

✚ **Internet:** Is a global network of interconnected networks.

✚ **Three Technical Roles of Internet:**

a) Content providers

b) Users

c) Technology infrastructure

✚ **Internet is not a place but a medium.**



Internet (Cont.)

Three Types of Access to the Internet:

a) Public Interest

- The global network that is accessible by anyone, anywhere, and anytime.

b) Intranet

- A network that runs internally in a corporation.

c) Extranet

- Two or more proprietary networks that are joined for the purpose of sharing information.

Internet (Cont.)

- ✚ **E-Business:** Is the optimization of a company's business activities using digital technology.
 - Involves attracting and retaining the right customers and business partners.
 - Includes digital communication, e-commerce, and online research.
- ✚ **E-Commerce:** Is the subset of e-business focused on transactions that include buying/selling online, digital value creation, virtual marketplaces, and new distribution channel intermediaries.
 - M-commerce and social commerce are subsets of e-commerce.

Internet (Cont.)

- ✚ **E-Marketing:** Is the use of information technology for the marketing activity, and the processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.
- ✚ E-marketing affects traditional marketing in 2 ways:
 - a) It increases efficiency and effectiveness in traditional marketing functions.
 - b) Technology of e-marketing transforms many marketing strategies.

“You can use social media to turn strangers into friends, friends into customers and customers into salespeople.”

-Seth Godin



E-Marketing is Bigger than the Web

- ❑ Many e-marketing technologies exist without the Web.
- ❑ E-mail, internet telephony, and text messaging are affective avenues for marketing.
- ❑ Internet delivers text, video, audio, and graphics to many receiving appliances.



E-Marketing is Bigger than the Web (Cont.)

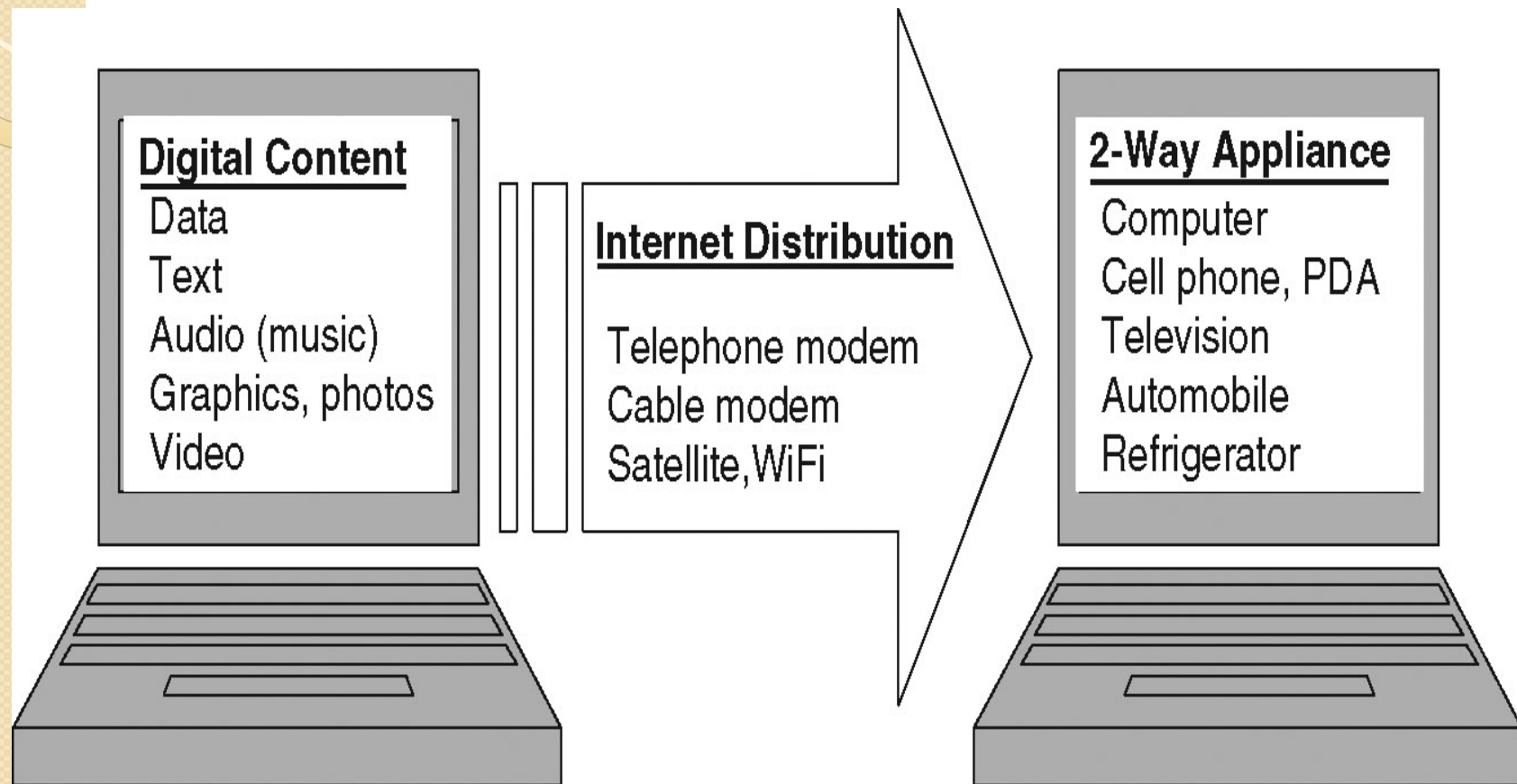


Figure 2: The Web is Only One Aspect of E-Marketing

Samsung Refrigerator: <http://www.businessinsider.com/samsung-family-hub-smart-refrigerator-2016-1/?IR=T>



E-Marketing is Bigger than the Technology

The Impact of e-marketing to:

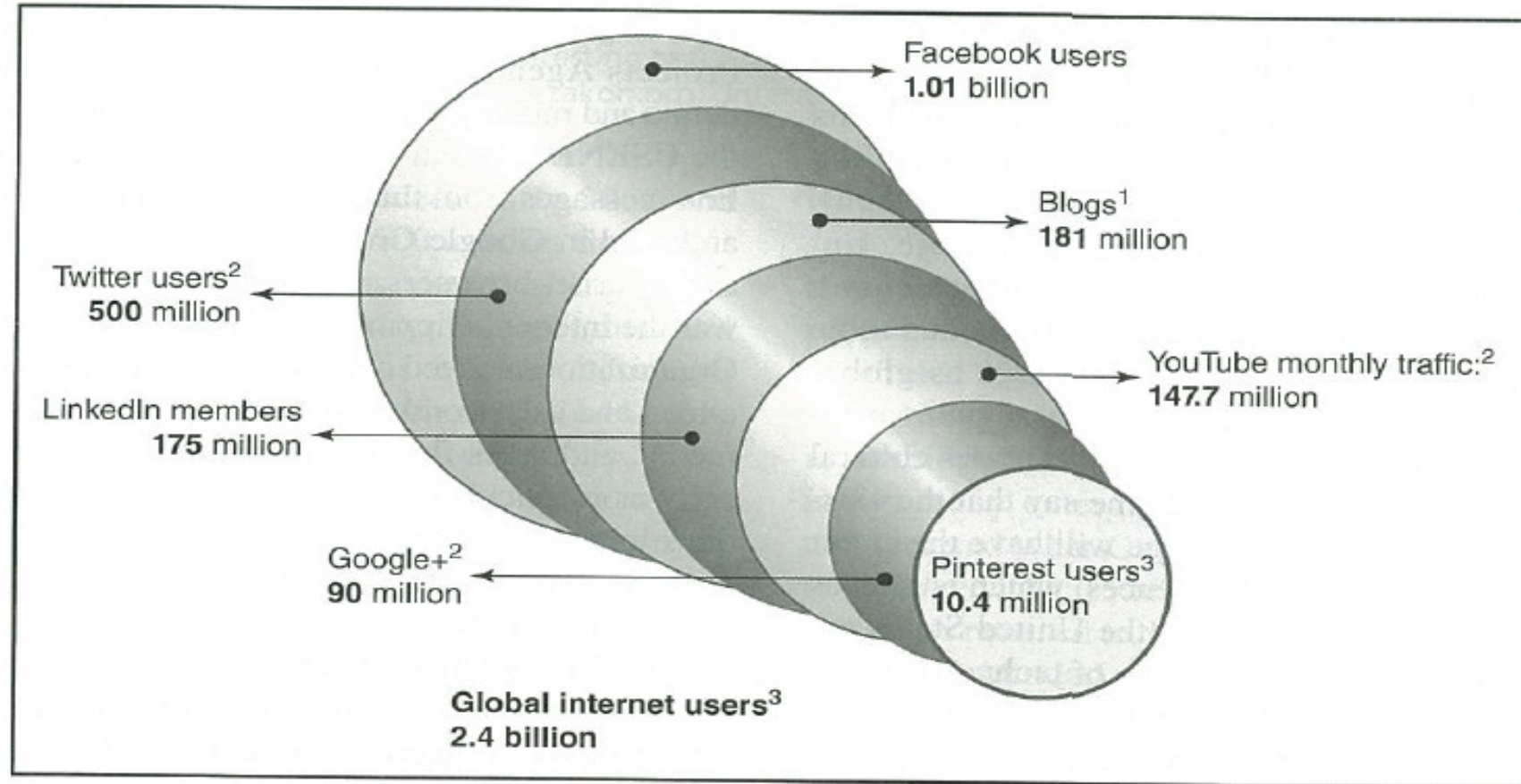
1) Individuals

- Provides individual users with convenient and continuous access to information, entertainment, networking, and communication.

2) Communities

- Internet facilitate strangers in countries world wide to form online communities.
- **Blogs:** Online diaries, or journals, frequently updated on Web pages.
- E.g., Online auctions, peer-to-peer file sharing.

E-Marketing is Bigger than the Technology (Cont.)



Sources: ¹ "Buzz in the Blogosphere," 2012. Available at blog.nielsen.com ² Miel Opstal, "10 Social Networks and a Bunch of Stats," 2012. Available at slideshare.net ³ internetworldstats.com. All those without footnotes were obtained from the sites themselves.

Figure 3: Internet Communities in 2012



E-Marketing is Bigger than the Technology (Cont.)

The Impact of e-marketing to (Cont.):

3) Businesses

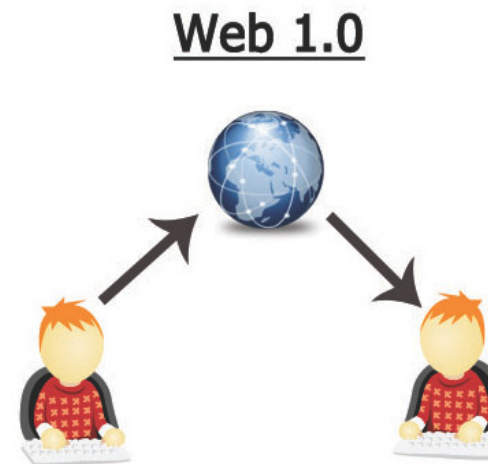
- Enhances business processes and activities across the entire organization.
- E.g., Human resources personnel use internet for electronic recruiting and training.

4) Societies

- Digital information enhances economies through more efficient markets, more jobs, information access, communication globalization, lower barriers to foreign trade and investment.
- There is also negative impact to the societies.

E-Marketing's Past: Web 1.0

- Internet started in 1969 as ARPANET.
- The first Web pages and internet browsers appeared in 1993.
- **Web 1.0:** Organizations created content on Web pages and in e-mail and users consumed the content.





E-Marketing's Past: Web 1.0 (Cont.)

1969	ARPANET commissioned by U.S. Department of Defense for academic and military use.
1975	First mailing list created to use the new computer network.
1979	USENET established to host discussions. First post in 1981. Later managed by Google Groups (800 million archived messages).
1984	Number of connected computer hosts reaches 1,000.
1987	Number of connected computer hosts reaches 10,000. First e-mail connection with China.
1988	First computer virus, affects 10% of the 60,000 hosts.
1993	Early Web sites appear and business and media take notice.
1994	First banner ads, "Jerry and David's Guide to the World Wide," appear on hotwired.com (later named Yahoo!).
1995	eBay opens its doors and disrupts the classified advertising business.
2000	Napster.com shows the world that peer-to-peer networking can work. Businesses show that e-commerce doesn't always work (the dot-com crash).
2002	Running your own blog is now considered hip.
2003	Recording Industry Association of America (RIAA) sues 261 people for illegal music downloading.
2004	16% of the world's population uses the internet. Businesses figure out how to be profitable with e-business models.
2012	34.3% of the world's population is online. Internet usage in industrialized nations reaches maturity. Social media use moves the balance of power from organizations to internet users.

Figure 4:
Internet
Timeline for
Interesting and
Amusing Facts

Source: Some of this information is from Hobbes's Internet Timeline (available at zakon.org). Internet adoption rates are from internetworldstats.com.

E-Marketing's Past: Web 1.0 (Cont.)

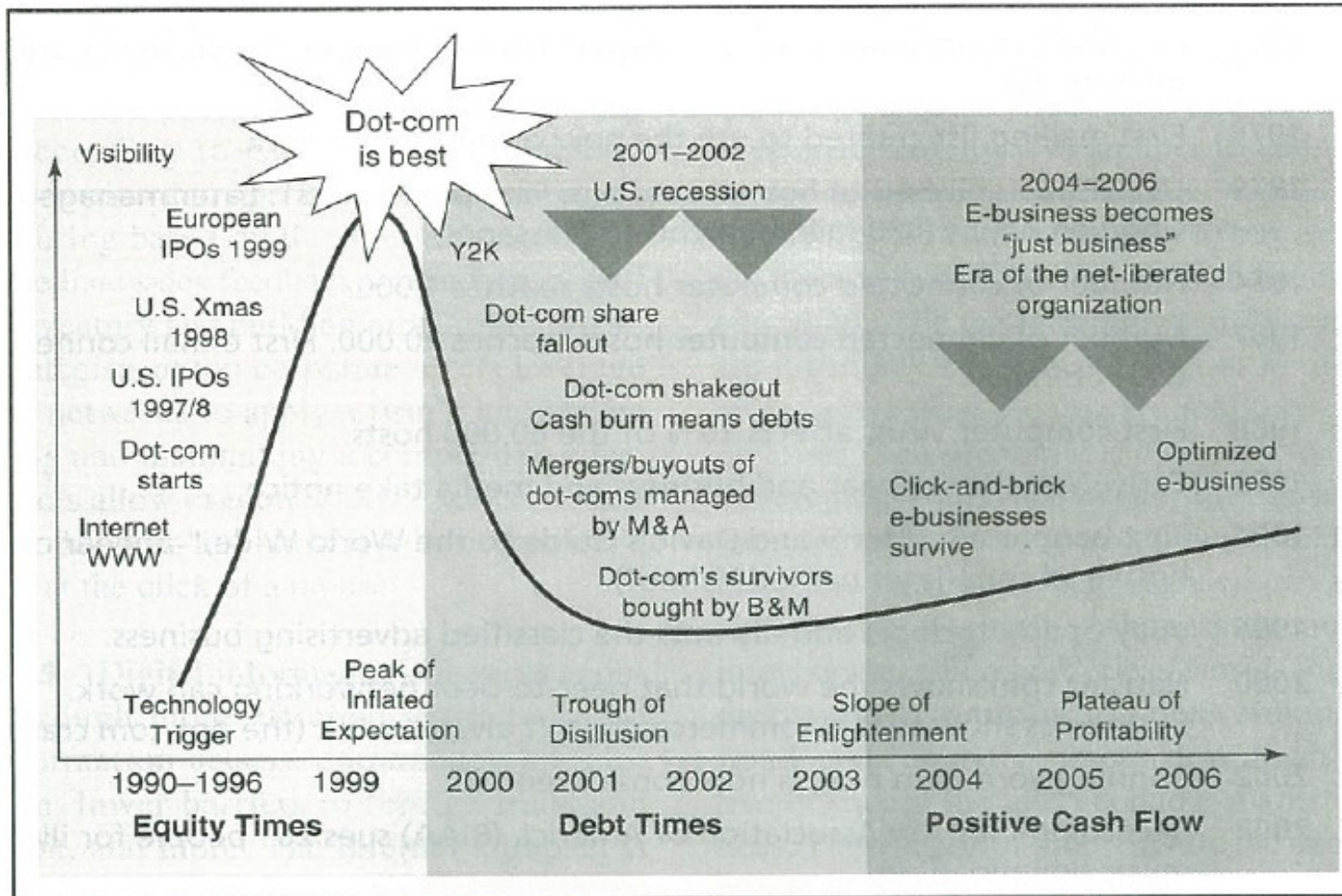


Figure 5:
2001 Gartner
Hype Cycle
(Climbing the
Slope to E-
business
Recovery

Source: Gartner, Inc. Hype Cycle for E-Commerce, 2010, Gene Alvarez, August 3, 2010.
Note: Gartner material speaks as of the date of publication and is subject to change without notice.

Internet's Unique Properties

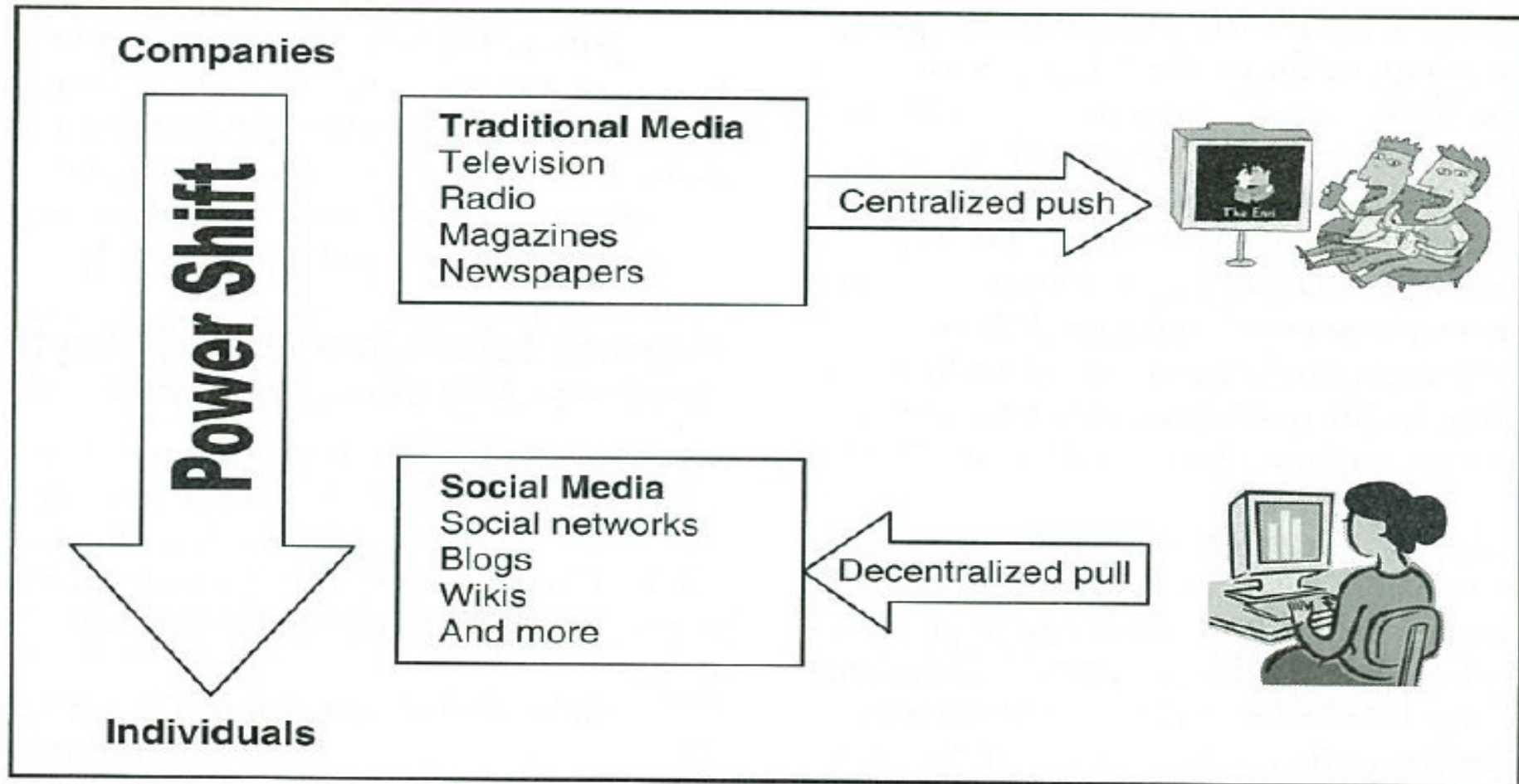
- 1) Lower costs
- 2) Trackable, measurable results
- 3) Global reach
- 4) Personalization
- 5) One-to-one marketing
- 6) More interesting campaigns
- 7) Better conversion rates
- 8) Twenty-four hour marketing



E-Marketing Today: Web 2.0

- ❖ **Web 2.0:** Connected people with each other for producing and sharing content.
- ❖ Power shift from sellers to buyers.
 - **Digital Video Recorders (DVRs):** Hard drives that can let viewers pause live shows or record up to 160 hours of television programming.
- ❖ Both individual and business buyers are more demanding than ever.
- ❖ Internet's social media provide a communication platform.
- ❖ **Voice of the Customer:** A systematic approach for incorporating the needs of customers into the design of customer experiences.

E-Marketing Today: Web 2.0



Source: Based on Dion Hinchcliffe's ideas (web2.socialcomputingmagazine.com).

Figure 6: Power Shift from Companies to Individuals



Trends Affecting Consumer Attention

- a) Consumers trust each other more than companies.
- b) Market and media fragmentation.
- c) Connections are critical.
- d) Everyone is a content producer.
- e) Information transparency.
- f) Social commerce



Customer Engagement

- **Engagement:** This occurs when internet users connect or collaborate with brands, companies, or each other.
- **Crowdsourcing:** This is the practice of outsourcing ads, product development, and other tasks to people outside the organization.
- **Crowdfunding:** This involves raising money online for new product ideas or for political campaigns and non-profit causes.

Customer Engagement (Cont.)

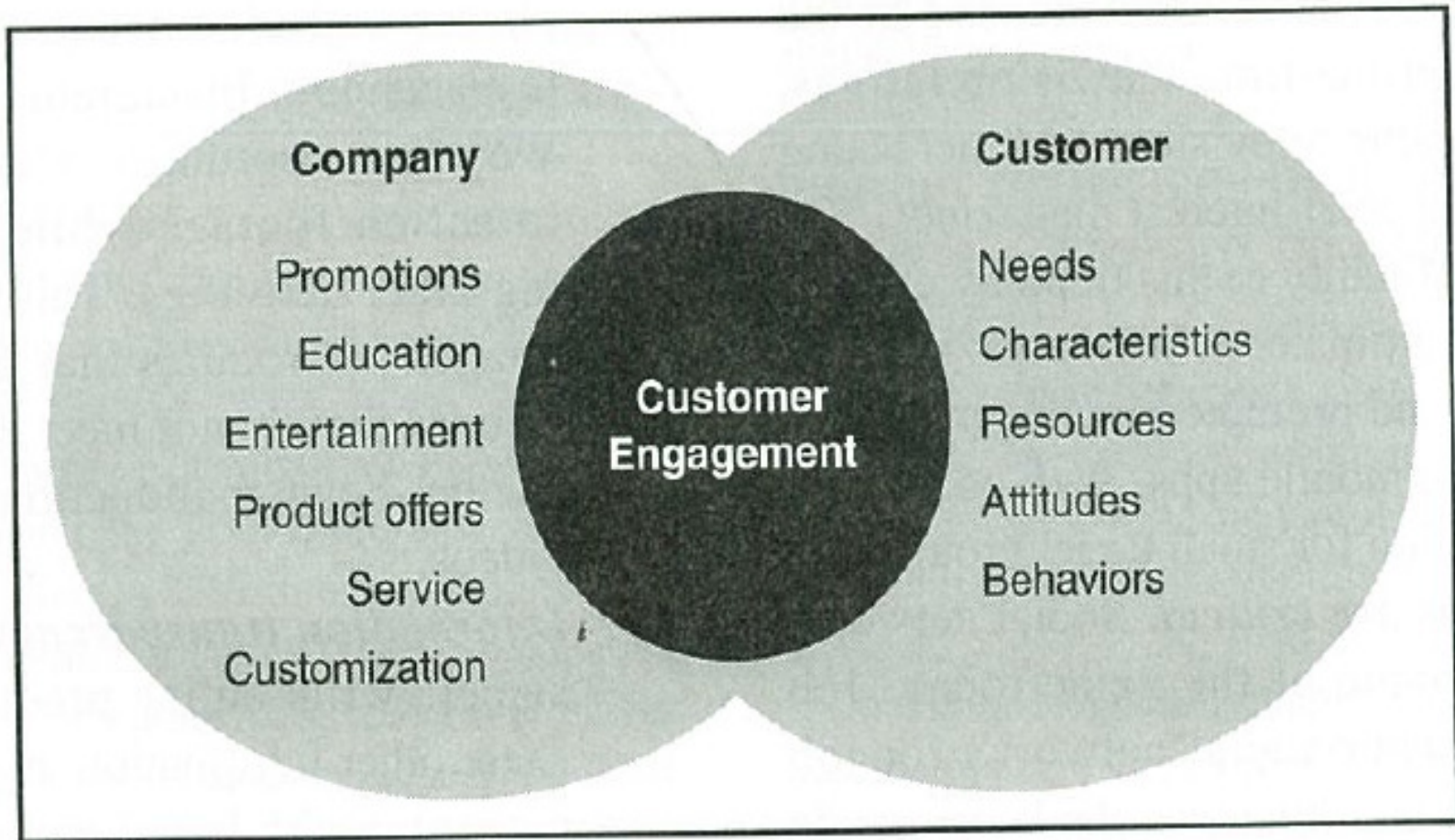


Figure 7: Customer Engagement Connects Company Content with Consumer Characteristics

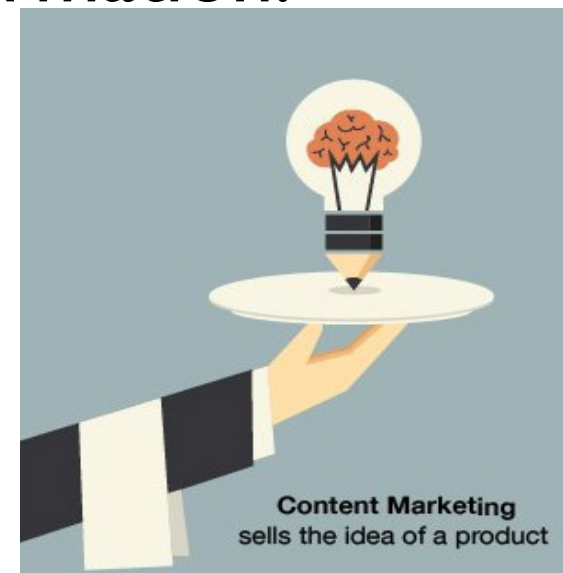
Content Marketing

- **Content Marketing:** This is a strategy involving creating and publishing content on Web sites and in social media.
- Marketers see themselves as publishers, creating engaging content and enticing users to visit and consume the information.

John Deere:

<http://contentmarketinginstitute.com/what-is-content-marketing/>

Main Website: <https://www.deere.com/en/>



Inbound Marketing

- **Inbound Marketing:** Web companies getting found online, as apposed to interrupting customers to get them to pay attention to the Web site, products, and so forth.
 - Customers no longer appreciate marketing messages that interrupt them from what they are doing.
 - The components of inbound marketing are:
 - i. Content
 - ii. Social networks
 - iii. Search engine optimization (SEO)
 - **Def:** The process of maximizing the number of visitors to a Web or social media site by ensuring that either (1) the site name and links appear high on a search engine results page for appropriate key words or (2) ads on search engine sites get a high click-through.
- SEO: <https://searchengineland.com/guide/what-is-seo>

New Technologies

1. Wireless Networking and Mobile Computing
 - 4G replaces 3G.
2. Cutting the Cord
 - The number of mobile subscriptions began to surpass landline telephones.
3. Appliance Convergence
 - **Appliance Convergence:** Many digital appliances in one.

LG Smart Refrigerator: <https://www.youtube.com/watch?v=MPzCUQvD3iQ>

New Technologies (Cont.)

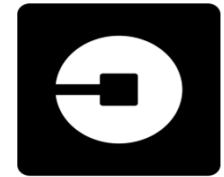
4. Exciting New Technology-Based Strategies

a) One Click Delivery

- Uber Technologies, Inc
- Red Tomato Pizza in Dubai offers a special “VIP fridge magnet”

Red Tomato Pizza VIP Fridge Magnet:
<https://www.youtube.com/watch?v=-Y5IeqhlnRY>

Grab



b) Voice Navigation

- E.g., iPhone's Siri software

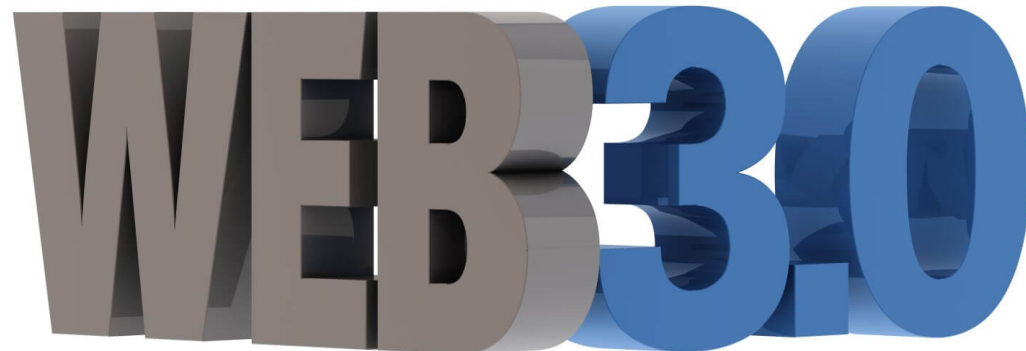


c) Physical Objects Connect with User's Smartphone

- E.g., Richard Nicoll and Vodafone UK (Handbag with a battery to charge mobile phone), Babolat Play & Connect (Sensors on tennis racquets).

The Future: Web 3.0

- **Semantic Web:** An extension of the current Web in which information is given a well-defined meaning.
- Web 3.0 consist pure data, present required words and images on pages, texts, or e-mail, and shared based on its type and context.



WEB 3.0

The Future: Web 3.0 (Cont.)

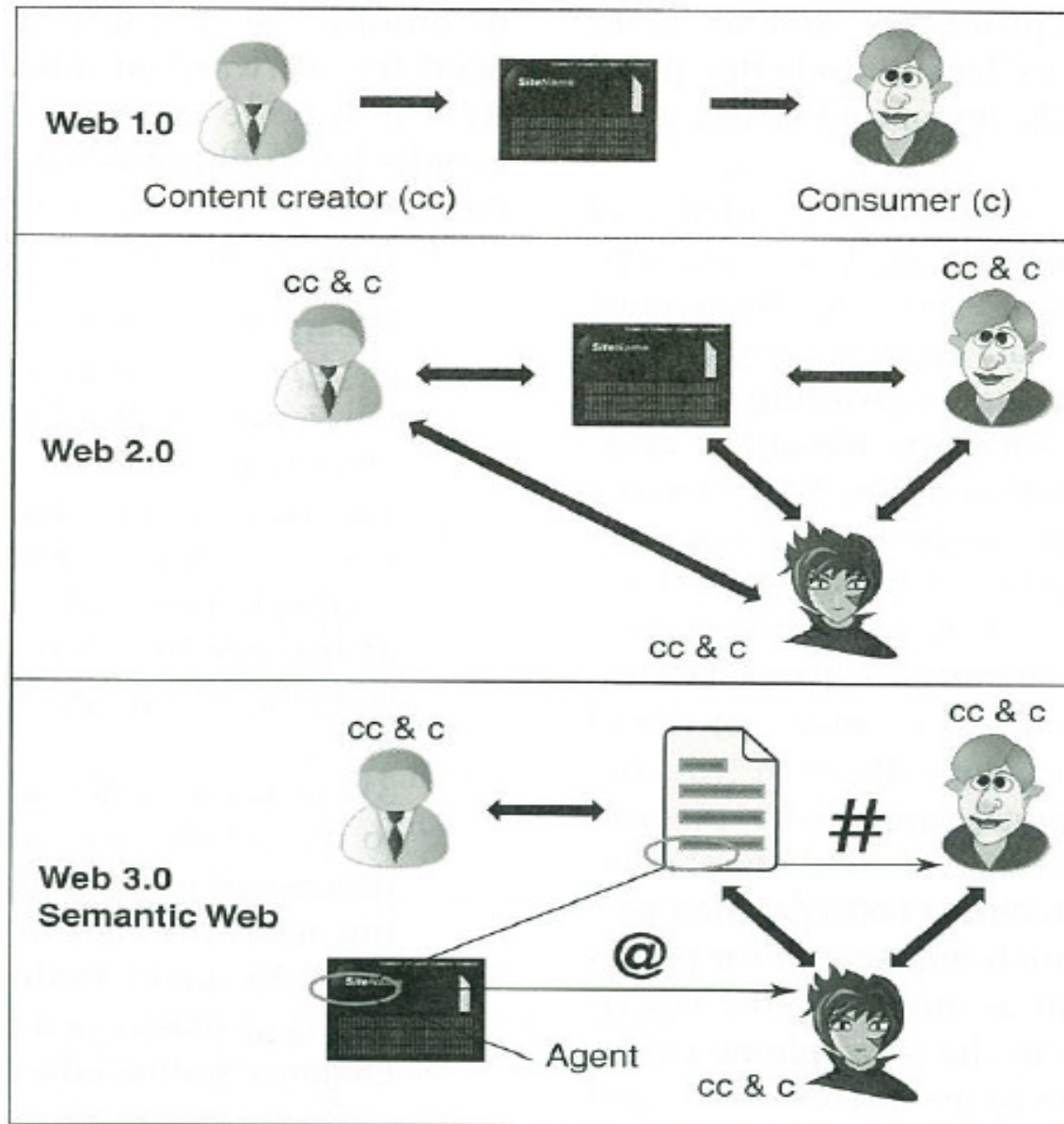


Figure 8:
Evolution from
Web 1.0 to Web
3.0